

**CALIFORNIA ENERGY COMMISSION**1516 NINTH STREET  
SACRAMENTO, CA 95814-5512

**STATE OF CALIFORNIA  
ENERGY RESOURCES CONSERVATION  
AND DEVELOPMENT COMMISSION**

In the Matter of:	) <b>Docket No. 02-PII-1</b>
	) <b>Order No. 03-0219-07</b>
	)
Petroleum Industry	)
Information Reporting	)

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**ORDER MODIFYING REPORTING REQUIREMENTS  
FOR PETROLEUM REFINERS, STORERS AND TERMINAL OPERATORS**

The California Legislature enacted the Petroleum Industry Information Reporting Act (PIIRA) of 1980 (Pub. Resources Code, § 25350 et seq.) to address the need for state government to understand how the petroleum industry operates. This understanding provides the basis for identifying and responding to disruptions in the industry that could cause significant economic or environmental harm to Californians.

PIIRA authorizes the California Energy Commission to collect certain data and information from producers, refiners, marketers, transporters, and storers of petroleum or petroleum products on either a monthly or an annual basis.<sup>1</sup> PIIRA also allows the Energy Commission to modify these reporting periods by order or regulation, provided that it identifies its reason for doing so.<sup>2</sup> Finally, the Energy Commission has the authority to prescribe the form in which reporting entities submit data and information and may request additional information as needed.<sup>3</sup> However, under certain circumstances, PIIRA specifies that reporting entities may comply with the Energy Commission's data requirements by submitting forms to the Energy Commission that they submit to other governmental agencies.<sup>4</sup>

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<sup>1</sup> Pub. Resources Code, § 25354 (a) and (b).

<sup>2</sup> Pub. Resources Code, § 25354 (e).

<sup>3</sup> Pub. Resources Code, § 25354 (a) and (b).

<sup>4</sup> Pub. Resources Code, § 25354 (g).

The following table summarizes what the Energy Commission currently collects by sector and reporting period.

<b>Reporting period</b>	<b>Data reported</b>	<b>From industry sector</b>
Weekly	Inputs and inventories of motor gasolines, oxygenates, aviation fuels, distillates, residual fuel oils	Refiners
Monthly	Imports and exports, inventory of motor gasolines, oxygenates, aviation fuels, distillates, residual fuel oils	Petroleum product marketers, petroleum product storers, refiners
Annually	Storage, pipeline, and transport capacities for motor gasolines, oxygenates, aviation fuels, distillates, residual fuel oils	Major crude oil transporters, refiners, major petroleum product transporters, major petroleum product storers, major oil producers

To date, refiners have complied with the Energy Commission's existing requirements by submitting the federal Energy Information Administration (EIA) reporting forms, known as EIA-800 and EIA-810, which the EIA uses to populate a national fuel database.

Over the last decade, the nature of petroleum products (gasoline, diesel, and aviation fuels) has changed significantly as a result of both state and federal air quality standards. These changes mean that California refiners now use more imported blending components than they did in the past. Moreover, many refiners have begun to finish blending gasoline at storage facilities and terminals rather than at their refineries.<sup>5</sup>

As a result of these industry practices, the Energy Commission's existing data-collection practices need to change in three ways. First, because the federal forms no longer reflect the fuel products that are unique to the California marketplace,<sup>6</sup> we need to develop new forms. Second, because refiners may now finish gasoline at terminals and storage facilities, the Energy Commission needs to collect data from terminal operators and oil storers as frequently as it does from oil refiners. Third, the Energy Commission needs to collect certain data on a weekly basis to monitor the industry more closely. Close monitoring is particularly critical during the period when refiners are phasing MTBE out of gasoline.

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<sup>5</sup> Much of this shift is a result of the phase out of methyl tertiary-butyl ether (MTBE) and the introduction of substitute blending components.

<sup>6</sup> The federal forms do not distinguish new reformulated fuels, and fuels that California refiners produce for neighboring states, from other fuels.

Specifically, the Energy Commission needs the following data:

<b>Reporting period</b>	<b>Data to be reported<sup>7</sup></b>	<b>From industry sector</b>
Weekly and monthly	Production, inputs, shipments, and inventories and storage capacities for motor gasolines including PHASE 2 RFG (non oxygenated and MTBE, PHASE 3 RFG (non-oxygenated and CARBOB), AZ CBG (non oxygenated, MTBE, AZBOB, conventional), Nevada fuels (CBG, LVBOB, conventional), diesel (CARB, EPA, off-road, high sulfur, bio-diesel)	Refiners, storers, terminals
Monthly	Monthly weighted-average prices and sales volumes of finished gasoline, diesel, kerosene, aviation fuel, fuel oil, and consumer grade propane sold through company operated retail outlets, to other end-users and to wholesale customers	Refiners

The Energy Commission directs the staff to mail proposed weekly and monthly reporting forms for terminal operators, refiners, and storers to companies subject to these reporting requirements and other interested parties, along with publishing the forms on the Energy Commission's website. In addition, the Energy Commission designates its Transportation Committee (Committee) to oversee the further development of these forms. The Energy Commission directs the Committee to conduct a workshop to take comments from interested parties on the staff's proposed forms. Following the workshop, the staff will revise the forms as directed by the Committee. Once the forms meet the Committee's direction, the Energy Commission's Executive Director will issue those forms and provide 30 days notice to affected parties before reporting must commence.<sup>8</sup>

Finally, in a separate order, the Energy Commission will initiate a rulemaking to modify the current PIIRA regulations. These modifications will reflect the Legislature's changes to the PIIRA statutes as a result of Senate Bill (SB 1962, Costa, Chapter 288, Statutes of 2000). The Energy Commission will take comments on the proposed regulatory changes under this separate proceeding.

<sup>7</sup> Phase 2 RFG, Phase 3 RFG, CARBOB, AZ CBG, AZ BOB, Nevada CBG, Nevada LVBOB, and CARB Diesel are terms referring to fuel formulations specified by the States of California, Arizona and Nevada through their Environmental and Air Quality Departments. These acronyms are described in detail in the package of draft reporting forms.

<sup>8</sup> Cal. Code Regs., tit. 20, § 1367

Based on the foregoing, the Energy Commission hereby orders refiners, major oil storers, and terminal operators, as defined, in part, by the California Code of Regulations, title 20, section 1363, to report on production capacity, inventories, receipts and distributions, and methods of transportation of receipts and distributions, on a weekly and monthly basis.

The Energy Commission further directs its Executive Director to follow the process outlined above for specifying the format of these reports and providing forms or other instruments to facilitate their filing, pursuant to California Code of Regulations, title 20, section 1367.

It is so Ordered.

Date: February , 2003

STATE OF CALIFORNIA  
ENERGY RESOURCES  
CONSERVATION AND  
DEVELOPMENT COMMISSION

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